

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2882 – HB 3119

April 23, 2012

**SUMMARY OF AMENDMENT (017124):** Deletes all language after the enacting clause. Authorizes two commercially-operated recreational facilities to sell alcoholic beverages for on-premises consumption. One such facility, located in Dekalb County on Highway 70 and featuring a restaurant with seating for at least 75 people. The second commercially-operated facility is in a location that is at least 250 feet in proximity of a natural lake, located in or near a state park, which has a beer license, commercial kitchen, and available seating for at least 75 people to sell alcoholic beverages for on-premise consumption.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Revenue - \$600/One-Time/ABC Fund  
\$4,000/Recurring/ABC Fund  
Not Significant/Recurring/General Fund**  
**Increase State Expenditures – Not Significant**

**Increase Local Revenue – \$250/One-Time/FY12-13  
\$100/Recurring/FY13-14 and Subsequent Years**  
**Increase Local Expenditures – Not Significant**

Assumptions applied to amendment:

- This bill applies to one location in Dekalb County and one location in Obion County.
- There is a \$300 initial application fee and a \$2,000 annual renewal fee to the state Alcohol Beverage Commission (ABC) Fund.
- No additional personnel or resources will be required by ABC.
- Dekalb County charges no liquor privilege tax.
- Obion County charges an initial one-time, non-refundable liquor privilege tax of \$250 in the first year and \$100 annually in subsequent years.

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- The entities will be assessed state and local sales taxes on alcoholic beverage sales, a 15 percent liquor-by-the-drink tax on all alcoholic beverages sold, and any applicable county privilege tax. These taxes will not have a significant state or local fiscal impact.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jdb